

A SURVEY OF PROPOSED CHANGES IN A PERSONNEL EVALUATION PROGRAM

Phillip L. Vandivier and Lynda T. Bridges
Defense Finance and Accounting Service Center
Indianapolis, Indiana

Raymond O. Waldkoetter
Educational and Selection Programs
Greenwood, Indiana

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INTRODUCTION

A survey was conducted to explore employee attitudes toward possible changes in their personnel evaluation program (Vandivier, 1996). Five questions were presented for their responses to help gauge their potential acceptance of the proposed changes. The questions dealt with three types of rating plans and whether employees might prefer certain changes in performance awards and critical elements relating to team performance. Employee comments were also requested in the survey.

METHOD

The survey form and explanation was constructed as the data collection instrument to offer a vehicle for comparing rating plans and possible changes as presented (Bridges, 1996). The choice of rating plans and performance awards was described with the potential for evaluating team performance. The purpose of the survey was described as to help furnish information to the Human Resource Directorate (HRD) for consideration in the design of the "Center's" future performance management initiatives. Employee respondents were instructed to answer the "following questions about the performance management system," so their responses could be helpful in striving to achieve their ultimate goal of "continuously improving services to their customer."

They were then requested to rate three rating plans in order of preference, "1" being the most preferred, and "3" the least. The three rating survey tasks were posed as implied questions. In the survey form's explanation, the three rating plans were defined as options to guide possible changes in their personnel evaluation program. Five summary rating levels are listed for the *current* performance appraisal: *Exceptional*, *Highly Successful*, *Fully Successful*, *Minimally Acceptable*, and *Unacceptable*. Next a *Pass/Fail* rating plan was a proposed option to be considered. A *Three-Level* Plan was yet another option with *Exceptional*, *Fully Successful*, and *Unacceptable*.

Questions four (4) and five (5) asked the respondents to indicate their level of satisfaction with possible changes in the performance management program. On a five-point scale from "Not at all satisfied (1)" to "Very satisfied (5)" they were asked to decide (Ques. 4) if performance awards should be based on specific contributions as occurring, rather than based on the employee's summary (annual) performance rating. Then in (Ques. 5) they were asked to indicate their level of satisfaction with the possibility of providing "one or more critical elements to address team performance" to influence their individual ratings. Lastly, they were given space on the survey form to make any comments recommending action or expression about the possible or proposed changes in their performance management system. The survey was distributed to employees with 419 completed forms returned, representing 23.3% of the eligible Defense Finance and Accounting Service (DFAS) Center personnel, and offering a 95% confidence level in results (Dutka, 1994).

RESULTS AND DISCUSSION

Survey form Questions 1, 2 and 3, requesting ratings of the three rating plans in order of preference -- *Current*, *Pass/Fail* and *Three-Level* -- produced the following data. The *Pass/Fail* Plan received the most first-choice ratings (N=158, 39.0%) followed rather closely by the *Three-Level* option (N=151, 37.3%) with the *Current* Plan being given the last-choice preference (N=96, 23.7%). Although the *Pass/Fail* Plan recorded the greater number of first-choice preferences, it should not be ignored that the *Three-Level* Plan and *Current* (5-level), if combined, offer a significant majority preference, giving a Chi-Squared (χ^2 (1, =4.00, $p < .05$) of 4.84. It is perhaps slightly premature to suggest that the *Pass/Fail* Plan be recommended solely based on an initial higher percentage of

first-choice ratings.

Question 4, requesting a rating on the five-point scale from "Not at all satisfied (1)" to "Very satisfied (5)" of the proposal to base performance awards on specific contributions rather than on the annual performance rating yielded a mean rating of 2.62. This may tend to indicate some degree of uncertainty from the respondents, if the scale mid-point of 3 is viewed as "Uncertain." While a total of 402 actual respondents rated this question, less than the 419 survey forms returned, 31.4% gave positive ratings, 48.5% negative ratings, and 20.1% "Uncertain." Where a 68.6% majority of the ratings was inclined to indicate a potentially doubtful response, it would seem somewhat risky to change the principal basis of making performance awards to "specific contributions" without giving this question more detailed analysis.

Question 5, exploring the possibility of being evaluated on "one or more critical elements addressing team performance" resulted in a mean rating of 2.86 (five-point scale), suggesting again some degree of uncertainty on the part of respondents. Here a total of 401 respondents gave 33.9% positive ratings, 36.9% negative and 29.2% "Uncertain" ratings. With a majority of 66.1% showing some reservations about adopting "team performance" elements to influence their individual ratings, further analysis is also best advised to learn if individual and team ratings are really compatible in a rating form procedure.

A trade-off analysis showing that the greater number of first-choice preferences were in the five- and three-level rating plans indicated that some preferred compromise changes may be achieved without discounting employee interest in the *Pass/Fail* Plan. Certainly, Questions 4 and 5 must have thorough review analysis to determine in what manner these issues may be resolved to better harmonize the intrinsic and extrinsic needs of employees in the performance management program (Kasser & Ryan, 1996). Design of the personnel evaluation program must strive to reconcile the most effective ratings format to obtain more accurate employee ratings and facilitate the critical operations in performance management. The personnel evaluation program must clearly delineate the effectiveness of any rating process and the implementing management guidelines, or prepare to address any contradictions with timely and conclusive mediation (Ross & Wieland, 1996).

From the returned survey forms, 543 comments were received with responses categorized according to the three rating plans, basis of performance awards, evaluation of team performance and "general" comments not fitting into the other categories. Rather surprisingly, "general" comments made up responses of 32.4%, with basis of performance awards giving comment/responses of 30.8%, and team performance responses of 20.8%. The *Pass/Fail*, *Current* and *Three-Level* rating plans resulted in only 7.2%, 6.6% and 2.2% of the comments, respectively. Relatively low percentages for the three rating plans are somewhat misleading because the rating-plan questions tended to stimulate the larger percentage of general responses. It may be observed that 16% of the comments may have generated 84% of the other and general comments concerning the performance management system. Employee comments suggested obvious concern about the structure of all three rating plans, the performance awards program, and any initiative to evaluate team performance.

Comments for Questions 1, 2 and 3 were categorized as positive, negative, and other/general. Those comments or remarks for Questions 4 and 5 were categorized as agree, disagree, and other/general. The stated question categories and related typical comments are presented in Table 1. The percentages shown are derived from within the total percentages seen in the above paragraph. Brief labels have been utilized.

Table 1. Analysis of Personnel Evaluation Program Comments

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Question	Positive Agree	Negative Disagree	Other	Typical Comment(s)
1. Current Rating Plan	40.6%	56.3%	3.1%	It's not perfect, but it's better than the other two.
2. Pass/Fail Rating Plan	46.7%	50%	3.3%	Where is the incentive to do better than average?
3. Three-Level Rating Plan	16.7%	41.7%	41.6%	This plan needs some improvement.
4. Performance Awards	21%	54%	25%	Both annual performance and special awards are needed.
5. Critical Element / Team Performance	10.3%	80.9%	8.8%	It's possible to have a successful individual, but the team fail.

Of all the general comment responses, it is nearly impossible to pick one that can be illustrated as most typical. However, the comment which seemed to be most incisive is: "The problem is not the system but the fact that supervisors are not executing it properly." There may be sufficient reason to examine the psychological climate in regard to the employees work situations to present the truly positive factors in the options for changes in their personnel evaluation program (Brown & Leigh, 1996). Table 1 seems to have a "negative/disagree" orientation, which may infer a pervasively low acceptance of the possible changes.

Survey results have been reviewed acknowledging the critical insights of the employee respondents. Supervisors and performance management operators with higher levels of task experience can express necessary standards for the personnel evaluation program. Employees, however, may well be able to express more accurate estimates of how personnel evaluation tasks should be operationally performed (Richman & Quiñones, 1996).

In submitting the performance management survey to the designated human resource analysts for further consideration in design of proposed personnel evaluation changes, a number of serious issues are evident. First, the three rating plans need to be clarified to a far greater extent, even if another formal survey is required. Although first-choice preferences for the three rating plans were most salient in the analysis, second-choice ratings more fully support the five- and three-level rating plans over the *Pass/Fail* option. Secondly, employee responses tended to express distinct doubt about the changes proposed for making performance awards and evaluating team performance. Any performance management system changes must engineer specifically how the chosen rating plan, performance awards, and the team evaluation issue are validly integrated and equitably implemented. Thirdly, if another, more technically-oriented survey is conducted, every effort should be made to design the rating tasks in a positive context of instructions and rating format, and completely free of any contradictory question structure and incompatible rating scales.

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